William Street

the Insurance Center of the World

April, 1937

ROBERT C. REAM

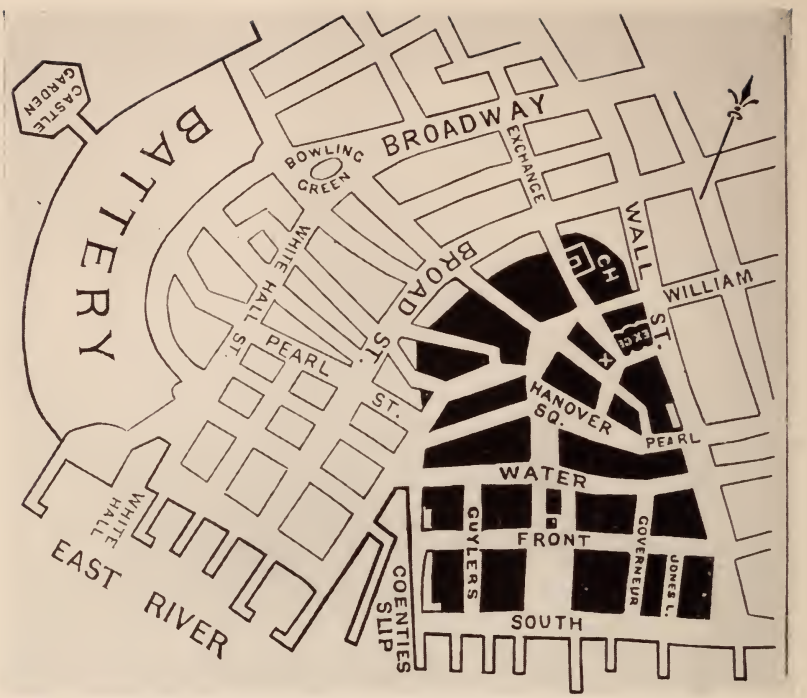
"President of the American Re-Insurance Company and senior partner of the firm of Ream, Wrightson and Company, Inc."

The Great New York Fire of 1835.

CARNIVAL IN CHAOS

AFTER the Dutch had left New Amsterdam, the English, always intent on bringing efficiency to bear and thus further complicate the lives of the citizenry, decided that the gentle ministrations of the "Rattle Waych" were not sufficient protection against the ravages of the fire demon. Accordingly, in 1736 a fire house was erected in Broad Street, contiguous to the watch house. Its equipment was a Newnham Engine requiring twelve men to work and capable of throwing a continuous jet of water seventy feet with sufficient force to break windows. Two years later the first official fire force was established in the city. Twenty-four men were appointed to serve and their remuneration consisted of exemption from service as constable, surveyor, juror or in the militia. We are told that they were "all strong, able, discreet, honest and sober men."

The Bucket Brigade



The Black Blocks Are Those Destroyed by Fire.
X Shows where the Fire Commenced.

In addition to this municipal force, the various insurance companies had fire fighting organizations of their own. These would rush hastily to the scene of any conflagration and note if the burning building carried a marker signifying that it was insured by their company. If such sign was missing, they picked up their gear and went home or else stood idly about chaffing the rival company when it put in an appearance. Insurance in those days was a Paradise for the rugged individualist.

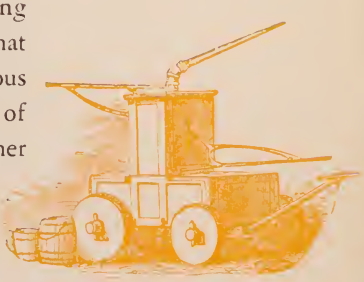
In 1798 a volunteer fire department was chartered and it was this system which gave New York its fire protection up until 1865. It was the duty of the Volunteers, on hearing the first alarm, "to drag engines to fire and there under direction of magistrates with utmost diligence manage, play and work said engines and all other tools

Fire Engine of 1730

Smoldering Ruins of the Merchants Exchange.

and instruments at such fire with all their power, skill, strength and understanding, and when the fire is out shall draw the engines back." That seemed to cover everything right up to getting the engines bedded up for the night and the city fathers rested well content that they had done all that was needful toward protecting the metropolis. In the course of time other volunteer organizations sprang up, also intent on combating the menace "with all their power, skill, strength and understanding." Unfortunately, however, each company wished the sole honor of saving the town's dwelling places. Thus it often happened that the actual putting out of fires was left to industrious citizens with buckets who endeavored to cool the ardor of the flames while the rival organizations battled each other in the streets.

This then was the condition of New York's fire protection organizations on the night of December 16,

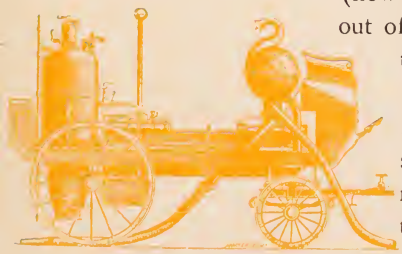


First Fire Engine Manufactured in U.S.

Fire of 1835 *from Coenties Slip.*

1835; and a cold night it was, too. The Hudson River was frozen solid and The East River was reduced to a thin trickle between banks of ice. Snow had fallen for two days running. The ground was iron hard and the city was silent with the silence of great cold. A watchman for an insurance company, doing his rounds and probably cursing his lot, was aroused, from his bitter meditations on a life that would force a man out on such a night, by a thin wisp of smoke arising from a dwelling at 25 Merchant Street (now part of Hanover Street). He soon had company out of doors that night, for the smoke was the herald of the greatest fire catastrophe that the city has ever seen.

Within a half hour after the fire warning was sounded from the bell in City Hall, the fire had spread as far as Water Street and Exchange Place. By midnight the entire financial district was past salvation. The fire was then seventeen blocks in area and



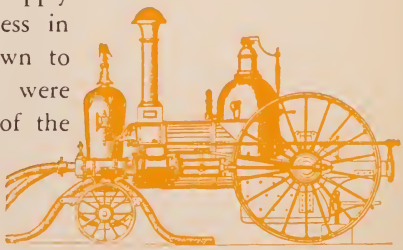
First Steam Fire Engine
London—1830

View of Wall Street in 1830 — Every building on the right was burned to the ground.

comprised the area bounded by Coenties Slip, Broad, Wall and South Streets.

Meanwhile the fire forces, forgetting for once their enmities, engaged in heroic, though futile, wrestlings with the twisting, leaping monster. Most of the engines could not be started at all, due to the extreme cold, and those that were able to function, could not rest for a moment lest the machinery become inoperative. A high wind turned the streams of water back upon the hose wielders, practically mummifying them in sheets of ice.

And then the water ceased to flow. The city's supply having been exhausted; and the rivers were useless in their frozen condition. Engines were wheeled down to the East River and somewhat successful attempts were made to obtain relief from the still fluid sections of the stream. Various wild expedients were tried, some of them accomplishing their purpose. The Journal of Commerce Building and a restaurant on Broad



First Steam Fire Engine Made in America—1840

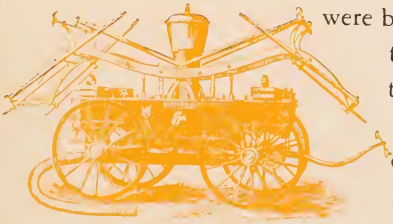
Street were saved by playing vinegar on them. The main strategy, however, was to run before the terror, taking whatever valuables could be hurriedly gathered. The city's hour seemed to have struck.

In the great evacuation of the business district, transportation was at a premium. Horses and carts were rented to the highest bidder. Five hundred dollars was the cost of drayage to the Merchants Exchange Building and safety. The Exchange was piled high with goods. The Garden Street Church was likewise a sanctuary. Three hours after the fire started both buildings fell before the blaze.

Hanover Square was thought then to be the only place where goods might be stored in safety and it soon took on the appearance of an Indian bazaar. Silks, satins, laces were piled in glorious disorder. Brandies and champagnes were stored there cases high. At one o'clock in the morning the champagne bottles began to pop cheerily, but not in the hands of festive merrymakers, for the fire had reached the square and its treasures were destroyed.

Not all New York, however, viewed the catastrophe with unalloyed dismay. Out of the slums of the city poured hungry mobs who saw in the flames the chance for the poor to rise as the rich were pulled down. A carnival of looting followed. Silk hats suddenly blossomed above unshaven cheeks. Beautiful gowns covered shameful rags. Champagne poured down unaccustomed throats as the have-nots went upon the biggest binge the town has ever seen. Outside of the district of the conflagration incendiary fires were started to give opportunity for loot. A state of martial law was proclaimed and at least one arsonist was lynched by an angry crowd.

On the morning of the seventeenth Mayor Cornelius W. Lawrence decided that the city could only be saved by a desperate remedy. Charles King, later President of Columbia College, was despatched to Governor's Island for dynamite. It was planned to dynamite buildings on the edge of the fire area, thus creating gaps that the flames could not leap. Numbers 48 and 52 Exchange Place were blown up and for several anxious hours the city watched the tongues of flame hungrily lick across the aperture thus created. Eventually their force became weaker and finally the fire burned itself out, leaving the best part of the city a smoking ruin. In fifteen hours six hundred and seventy-four buildings had been destroyed. Yet,



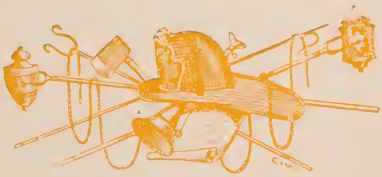
American Fire Engine
1857

despite fire, hunger and mob violence, only two lives were lost in the same period.

Losses in the fire were estimated to run between twenty and twenty-five million dollars. The sum is reckoned to be the equivalent of a half-billion dollars today. The amount of insurance carried amounted to ten million dollars. Little of it was paid, for the aftermath of the disaster left scarcely any of the insurance companies completely solvent. Along with the insurance companies, many banks had fallen. It was the city government which came to the aid of the staggering insurance and financial interests with fire loan stock. It took many years, however, before the various companies came to realize that the "dog eat dog" policy in vogue at that time was the surest method of courting individual and collective disaster.

The fire seemed to have acted upon the city in somewhat the same manner as a hearty revivalist meeting. The Reverend James R. Wilson, D.D., in 1836, said that the tragedy was a warning ". . . against existing wickedness as when the assembly moved to abolish the practice of opening with a prayer." James Gordon Bennett in the Herald, December 17, 1835 said: "Good God! In one night we have lost the whole amount for which this nation was willing to go to war with France. Gracious Heaven! Is it a punishment for our madness? Forgive us our sins as we forgive those who sin against us."

Ever since then New York has been a very holy city.



Old Fireman's Hat, Trumpet, Axe, Etc.

THE MAN OF FASHION . . .

WE FEEL a certain sense of guilt upon reading back copies of WILLIAM STREET for the treatment we have given in its pages. It may very well be that our avid readers will go through life with a distorted view of the city's early history and manners and the thought is keeping your correspondent from his much needed rest. Throughout these earth-shaking revelations concerning the old days in this bustling province we have consistently referred to the Dutch in such phrases as "solid burghers",

"respectable patroons," and the like. This gives that hearty race an unfortunate odor of smug respectability and lack of "elan". We are bowed with grief that we should have added in any way to the continuance of a calumnious legend, and hereinafter New York's founding fathers will be referred to as "thim roarin" broths o' bhoys, the Dutch." The first step in our reappraisal of these fiery early settlers will be a catalogue of the appurtenances of the Dutch dandy. It is our contention that anyone who wore these clothes certainly deserves better of posterity than the damning epithet, "respectable." In fact it is doubtful if he could even be called decent.

First let us be general. They dressed the same as we do in that they all wore breeches, coat, and waistcoat. There the resemblance ends. The breeches swept majestically outward from sturdy thighs and were decorated with row upon row of buttons. Their length and general shape were determined solely by the artistic temperament, together with the anatomical curves, of the wearer. Plush they were, and sometimes silk, these bloomers *in excelsis*. Their coats were of bright colors and lined with silk. They were of gold and silver cloth, or white satin with gold stripes and embroidered with flowers. Solomon in all his glory becomes a chimney sweep in comparison and the flowers of the field wished they were violets the better to shrink and hide their shame as the Manhattoes passed by.

Flowing ruffs and collars surmounted these glories. The more conservative of these hardy pioneers in this new world wilderness wore a simple rimmed collar with large or small plaits shaped like a horseshoe, being flat in front and round in back. These collars were stiff and stood upright against Netherlandian ears. In 1638 however the boys went into a positive dither over the new French collar which reached in long embroidered points down the back and was fastened in front with cords terminating in acorn shaped balls. All New Amsterdam welcomed the new creation with shrill cries of "Whoops!"

The stockings of the period were a very important part of the costume and were generally of the same material as the trousers. Now at this point your correspondent would like to state that he has no personal animosity toward the boys who kept the early records of the city, but he refuses to believe that anyone ever wore plush stockings. We are as open-minded as the next, but we are not going to turn WILLIAM STREET into a mouthpiece for

historians of doubtful character. That's all we have to say. Be that as it may, stockings were so prized that they were sometimes mentioned as articles in wills. We have a record of Lawrence Deldyke willing a pair of scarlet silk stockings to a Captain Matthew Shanks. We do not know where the latter gentleman got his commission, but we hope he was cashiered if he attempted wearing the bequest.

Boots were of brown or black Spanish leather cut open at top and decorated with rosettes. They were high-heeled and jauntily adorned with a ribbon at the toe.

Now if any of our readers are still well, we will consider the question of hats. These were of two types, one as bad as the other. The first had a low crown and a wide brim and sported a flowing plume. The second had a tall crown and a narrow brim and was decorated with plumed, stuffed birds and embroidery. And, let us add here, if the Indians were not complete poltroons it was often tastily decorated with a few arrows.

Underneath these so called hats they wore wigs of goat, buck or camel's hair with long blond curls to the waist. Sometimes the "toupet" or "coif" rose a foot above the forehead and weighed five pounds or more.

Swords and walking sticks were also carried. Anyone wearing those clothes would need some sort of weapon. Also a few of the settlers had the decency to wear long cloaks.

We will close with the ward-robe list of Lawrence Deldyke in order that you may have some knowledge of how the colonists fared in that department which we have too much delicacy to mention in our own words: "6 coats, 5 waistcoats, 2 breeches, 2 plush breeches, 1 pair of drawers." The whited sepulchre!

SMYTH, SANFORD & GERARD, Inc.
Buyers of Insurance for the Assured

GEORGE FOSTER SANFORD

IN this age of specialists, one man has preserved in the "street", beneath an atmosphere of picturesque vitality, a singleness of purpose which is best expressed by the slogan:

BUYERS OF INSURANCE FOR THE ASSURED

George Foster Sanford needs no introduction to any audience, least of all to the world below Fulton Street. As an athlete of international reputation, and as an encyclopedia of football knowledge and experience, he has long been "Sandy" to every big man. As a football player he holds the unique record of never having played upon a team that was scored against. As a football coach, he never asked any player to do what he could not do himself.

G. Foster Sanford Jr.

Charles S. Forbes

Edward J. O'Brien

This explosive energy early found an outlet in the promotion and the selling of life insurance. The records will bear witness to "Sandy's" proficiency as a writer of big risks. The railroad world, however, soon enlisted this vital young man in its own behalf, and Sanford proved that he was also a keen Yankee trader who could buy insurance for railroads with revolutionary efficiency.

In 1915, two lifetime friends, Nathan A. Smyth and Sumner Gerard, both lawyers, formed a firm to capitalize this ability. Smyth, Sanford & Gerard Inc. immediately assumed a leading place as a brokerage firm, specializing in the writing of railroad risks.

Sanford consistently refused numerous offers to ally himself with particular underwriting groups as agent. He insisted that a broker must remain free of entanglements and serve only one master. Business changes during the intervening years have changed the personnel of Smyth, Sanford & Gerard, Inc. but George Foster Sanford still remains as its president and producer, and the original friendships have not only survived, but, if anything, have grown stronger. In fact, Mr. Sanford has often expressed himself to the effect that Mr. Smyth was his choice for President of the United States.

Mr. Sanford has been shrewd enough, however, to realize that a buyer of insurance must also supplement his efforts with a service organi-

zation second to none. He has gathered around himself an insurance family, each member of which occupies a distinct sphere, whose combined knowledge and experience in conference produce the decisions on which has been built a sound and well-balanced brokerage business.

Here is a brief listing of some of the stalwarts Sanford has gathered around him, with a few of their outstanding characteristics:

G. Foster Sanford, Jr. A chip off the old block. Graduate of the University of Pennsylvania 1928. Baseball pitcher extraordinary. Member of Graduate Athletic Committee. President Cornell-Pennsylvania Downtown Luncheon Club. Vice-President, in charge of automobile and bus insurance production. Watch his smoke.

Charles S. Forbes, Ph.D. Secretary and Treasurer. General trouble shooter. 34 years insurance experience of every kind and variety. Associate member Actuarial Society of America. Charter member Casualty Actuarial Society. A good man in any emergency.

Edward J. O'Brien, Director. Railroad insurance expert. 49 years in the insurance business. Past Master Fourth Degree Knights of Columbus. Tax Commissioner in Newark. One of the most popular fighting Irishmen in the insurance world.

Harold C. Doyle, Manager City Department. Past Master Masonic Lodge. Ex-President Insurance Square

Harold C. Doyle

Robert Horr

Herbert Gavey

Club. Has a smile for everyone on the street. He will make you enjoy carrying insurance.

ROBERT HORR In charge of placing. If you haven't had a cup of coffee with Bob it is because he has been too busy. Just tell us anyone that he doesn't know by his first name.

HERBERT GAVEY Railroad and marine department. A human calculating machine, who fairly eats up work. The harder the schedules come, the faster they fall.

Each of the above is prepared to furnish his special brand of service. The customer will find, furthermore, that no matter what member of the staff he may approach, he will engage the resources of the entire organization.

Smyth, Sanford & Gerard, Inc. is still free from entanglements. It does not seek credit and asks no quarter in competition. Its claim to immortality is that it always has and will continue to represent its assured exclusively. At the same time Sanford has realized that the good of his assured must rest upon the friendship of fairly treated Insurance Companies. He has known that no broker could prosper who burned up his underwriters. For that reason he has always been scrupulous to avoid anything resembling misrepresentation, and has so managed his risks that a profit was made for the companies, not through excessive rates, but through improved loss ratios. He believes thoroughly that no man can serve a client whom he fears, and that the brutal truth to a customer is sometimes the duty imposed upon a broker who would be fair to both sides.

"Sandy's" office at 68 William Street preserves an atmosphere which in many respects contrasts sharply with many high speed suites in more modern office buildings. He feels comfortable, however, in the homelike quarters so long occupied in the Royal Bank Building, and the visitor there, be he client or humble seeker for the advice of the old Coach, will find not only that no visitor is ever kept waiting, but that his errand, whatever it may be, will be treated as a matter of first importance.

ON THE STREET

RAYMOND M. AUSTIN

RAYMOND M. AUSTIN

RAYMOND M. Austin was born in Detroit. That we record as a cold, bald statement of fact, but it is rather more than that, for so continuous were his movements throughout the length and breadth of the Federal Union during his early life that it is somewhat remarkable that any one city could claim him for its own. His wanderings, however, finally brought him to our neighboring province, New Jersey. There he matriculated at that seat of learning for which many an earnest youth has signified his eagerness to die, Rutgers. Of course he was a footballer there.

He graduated in 1916 and that of course meant that his education for the next few years was going to be rather more violent than academic. He joined the Navy as a seaman on a destroyer and after a few months service was enrolled in the Massachusetts Tech ground school for aviation training. From there he was sent to Pensacola and after passing flying tests was commissioned ensign and given duty as an instructor in aerial gunnery and an experimentor in what was then a hit-or-miss part of aviation, night flying. Service overseas was the next step and he was first associated with a night bombing squadron flying land machines. Later he flew with the submarine patrol over the Bay of Biscay. Then there was peace.

Back home, office-work did not hold much appeal to one who had grown accustomed to counting motor throbs with the same anxiety as a physician records heart beats and there was a period of wandering. His path took him westward and he put in his time at the various rough cut occupations that distinguish America west of the Mississippi. The coal-mines knew him and for a spell the forestry service. Then there was work on the wheat harvests and finally a flier in oil. After that he came back to New York to find out about this here now business life.

In 1921 he joined Edwards and Booth and has been with them ever since. He was made a partner in 1926. His specialty is surety, and in particular, blanket requirements for banks and Wall Street houses.

Incidentally, we would like to call attention of those engaged in enforcing the anti-trust act to the dangerous concentration of New Jersey gridiron greats in the offices of Edwards and Booth. To us it seems that they constitute a monopoly fully capable of seizing power by sheer physical force.

Married, he has a home in Essex Falls, New Jersey, and two sons. He plays golf and follows the progress of football eagerly. He is a member of the Chi Psi Fraternity.

A young man, he has already a full life behind him and he approaches the future with the same zest that he faced the past.

A. G. HALL

A. G. Hall

A. G. Hall is the first figure that WILLIAM STREET has considered who is connected with the literature of insurance. In view of the very nature of the business today, with its important ramifications in every field of endeavor, this branch becomes vital for the well-being of the entire industry. It has often been necessary in the past to save the organization of insurance from destruction by its enemies, and, at times, from the well meaning but misguided ministrations of its friends. While today it may be truthfully and thankfully stated that insurance is on so sound a foundation as to be virtually immune from catastrophe, nonetheless, bold pens are still needed as guerdons against folly. Mr. Hall's is one of those pens.

Starting in Insurance back in the days when the head fire insurance companies were in Broadway basements, he brings to the industry today a sound knowledge of all its phases, from the fundamentals upward, and his personal contacts with such an incredible number of brokers in this city lend inestimable weight to anything he has to say on the subject.

It was early in his career in insurance that Mr. Hall turned to journalism. After

serving his time as an agent he founded the "Surveyor" in 1892 and continued in that capacity until 1916 when the "Surveyor" was sold to the "Insurance Field". After that he served five years as an insurance broker before returning to writing. Since 1922 he has been the editor of the Insurance Advocate and the Convention Year Book. Last year he was selected by the General Brokers Association to receive the gold medal which is given annually to "that individual who has rendered the most meritorious service to the insurance brokerage profession."

The G. B. A. has this to say of him: "For over forty years he has militantly engaged in the interests of the insurance broker, and, over seventy years of age, although his eyesight has grown dim, from his pen still comes his characteristic, vitriolic and penetrating articles in defense of the best interests of insurance brokers."

May he so continue for many a year more.

WILLIAM STREET

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ON THE COVER

A particularly interesting view of the Old Post Office in Nassau Street between Cedar and Liberty Streets. Previous to its conversion into a government building it was the second edifice of the Dutch Reformed Church built in 1731.

A curious character in this establishment was "Old Man Moyer". He could decipher an address in almost any language and was also the only "Dead Letter Office" we had in those days. He opened all undeliverable letters, read their contents, and was frequently the means of solving their destination. He was a marvelous linguist and a learned man.

There was also a huge pie counter inside the rotunda, much patronized by everybody, at which the famous Washington pie was greedily devoured.

The bell tower sounded all fire alarms for the lower end of Manhattan Island.

AVERY CLASSICS